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Governor's Office of Economic Development Joins Marianas Governors, Business Delegation and U.S Officials at Hita I Marianas Conference

Conference Kicks off Discussion for Region's \$20 Billion Military Buildup and Focuses on Business Opportunities and Jobs for California

SACRAMENTO- Governor's Office of Economic Development Director Joel Ayala today attended *The \$20 Billion U.S. Marianas Buildup: American's Future in Asia Conference*. The Marianas Islands are made up of Guam and the Commonwealth of the Northern Mariana Islands, and both are U.S. territories. The conference will inform California businesses about the opportunities associated with the largest military infrastructure development in the Marianas since WW II.

The conference has been organized by a community-based group called Hita I Marianas, which means "We Are the Marianas." The group includes several prominent business and community leaders from the Marianas Islands who will be joined at the conference by Guam Governor Felix P. Camacho and Commonwealth of the Northern Mariana Islands Governor Benigno R. Fitial. Top Federal, military and other officials will be onsite to discuss the opportunities associated with this international infrastructure development project.

"This infrastructure buildup represents an incredible economic opportunity for California and specifically the city of San Diego," said GoED Director Ayala. "This expansion comes at a time when California is actively working to strengthen its economic standing through the support of businesses, job creation, and increased international economic activity."

Guam's location in the Pacific is a strategic one. Guam is part of the area considered as the Asia-Pacific Region, which covers more than half of the earth's surface and includes 43 countries and over 60 percent of the world's population. The Asia-Pacific Region accounts for over one-third of U.S. trade (over \$500 billion per year) and 34 percent of the Gross World Product.

"In the past ten years, thousands of residents from our region migrated to California during the economic decline and this infrastructure buildup now provides an opportunity for those residents to come home and participate in rebuilding the regional economy," said Guam Governor Felix P. Camacho. "Guam is looking forward to working with the Commonwealth of the Northern Mariana Islands as well as California to help drive economic prosperity in the region."

The Marianas are being transformed into a hub for America's strategic defense realignment in Asia. This change presents economic opportunities for the people of California and the Marianas and is key to the successful development of America's presence Asia. California businesses and contractors will be able to play important roles in the \$20 billion buildup already underway.

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According to Marianas officials, more than \$4 billion construction contracts have already been awarded and California companies represent a significant proportion of those selected. Additionally, it is estimated that more than 20,000 new jobs could be created as a result of the buildup.

“The CNMI’s role in the military relocation effort is a critical component of ensuring overall success,” said Commonwealth of the Northern Mariana Islands Governor Benigno Fitial. “While we maintain a support role to the island of Guaham, we look forward to the economic benefits this undertaking will bring.”

California’s location on the Pacific Rim gives businesses access to the global economy and this has played a role in its increased international trade activity. Since 2003, California exports have risen by 65 percent. California has also proven to be an attractive location for international employers, ranking first in the U.S. in the number of employees supported by U.S. subsidiaries. According to the most recent data, one out of ten private sector jobs in California is supported through the sale of exports. The Marianas buildup will help to further solidify California’s role as a global economic powerhouse.

The Governor’s Office of Economic Development (GoED) was launched by Governor Arnold Schwarzenegger to help stimulate and facilitate economic growth across the state. GoEd serves as a one-stop shop for business needs and can offer assistance, resources, and other tools to assist with the creation, expansion and retention of businesses. GoED’s mission is to make it easier to do business in the state.

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